Subgrant Terms and Conditions

1. SUBGRANT EFFECTIVENESS AND RENEWAL. It is understood that this Subgrant or any Amendment is effective when it is signed by all parties, or at a later date if specified in the Subgrant or Amendment. Any extension or Amendment of this Subgrant shall be in writing, signed by both parties.

2. PERFORMANCE. The failure of the Department to require strict performance of any term or condition of this Subgrant, or to exercise any option herein, in any one or all instances shall not be construed to be a waiver or relinquishment of any such term or condition. The same shall be and remain in full force and effect, unless there is a prior written waiver by the Department.

3. FISCAL RECORDS. The Subgrantee agrees to maintain all fiscal records, including its books, audit papers, documents, and any other evidence of accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Subgrant. These records shall be available for and subject to inspection, review or audit and copying by the Department and other personnel duly authorized by the Department or federal inspectors or auditors at all reasonable times, at either the Subgrantee's principal place of business or upon premises designated by the Department.

4. RECORDS. The Subgrantee shall maintain all records and documents relevant to this Subgrant for six (6) years from the date of final payment. The Department, and any persons duly authorized by the Department, shall have full access to and the right to inspect, review, and audit any of these materials during the retention period. If an audit, litigation or other action involving records is initiated before the six (6) year period has expired, the records must be retained until all issues arising out of such action are resolved, or until an additional three (3) year period has passed, whichever is later.

5. MONITORING. The Subgrantee shall be monitored on a frequency to be determined by the Department and the program shall be periodically reviewed. The results of this program review may be used, with other information, to evaluate the Subgrantee's provision of services funded by this Subgrant.

6. INDEMNIFICATION BY THE SUBGRANTEE. The Subgrantee shall indemnify, defend and save harmless the State of Idaho, and the Department, its officers, agents and employees, from and against all liability, claims, damages, losses, expenses, actions, and suits whatsoever, including injury or death of others or any employee of the Subgrantee caused by or arising out of the Subgrantee's performance, act, or omission of any term of this Subgrant. Nothing in this provision shall extend the Subgrantee's indemnification of the Department beyond the liability of the Department provided in the Idaho Tort Claims Act, Idaho Code Section 6-901 et seq., the aggregate of which is limited to $500,000 by Idaho Code Section 6-926.

7. INDEPENDENT STATUS. The Subgrantee's status under the Subgrant shall be that of an independent Subgrantee and not that of an agent or employee of the Department. The Subgrantee shall be responsible for paying all employment-related taxes and benefits, such as federal and state income tax withholding, social security contributions, worker's compensation and unemployment insurance premiums, health and life insurance premiums, pension contributions and similar items. The Department shall not be responsible for these employee-related benefits and tax items, and shall be indemnified and held harmless for any liability, cost or expense, including any interest, penalties

and attorney's fees, that may be connected with the Subgrantee's failure to provide or pay such items.

8. CONFIDENTIALITY. The Subgrantee shall comply with all applicable state and federal laws, rules, and regulations concerning confidentiality. The Department will furnish the Subgrantee with copies of applicable statutes, rules, and regulations upon receipt of a written request from the Subgrantee. Pursuant to the Subgrant, the Subgrantee may collect, or the State may disclose to the Subgrantee, financial, personnel, or other information that the Department regards as proprietary or confidential ("Confidential Information"). Such Confidential Information shall belong solely to the Department. The Subgrantee shall use such Confidential Information only in the performance of its services under the Subgrant and shall not disclose Confidential Information or any advice given by it to the Department to any third party, except with the Department's prior written consent or under a valid order of a court or governmental agency of competent jurisdiction and then only upon timely notice to the Department. Confidential Information shall be returned to the Department upon termination or expiration of the Subgrant. Confidential Information shall not include data or information that:

   a. Possession of the Subgrantee Is or was in the possession of the Subgrantee before being furnished by the Department, provided that such information or other data is not known by the Subgrantee to be subject to another confidentiality agreement with or other obligation of secrecy to the Department;

   b. Available to the Public Becomes generally available to the public other than as a result of disclosure by the Subgrantee; or

   c. Available to the Subgrantee Becomes available to the Subgrantee on a non-confidential basis from a source other than the Department, provided that such source is not known by the Subgrantee to be subject to a confidentiality agreement with or other obligation of secrecy to the Department.

9. PUBLIC RECORDS. Pursuant to Idaho Code Title 74, Chapter 1, as amended during the term of the Subgrant, information or documents received from the Subgrantee may be open to public inspection and copying unless they are exempt from disclosure. The Subgrantee shall clearly designate individual documents as "exempt" and shall indicate the basis for such exemption. The Subgrantee shall indemnify and defend the Department for honoring such a designation. The Subgrantee's failure to designate as exempt any document that is released by the Department shall constitute a complete waiver of any and all claims for damages caused by any such release. If the Department receives a request for materials claimed exempt by the Subgrantee, the Subgrantee shall provide the legal defense for such claim.

10. NONDISCRIMINATION. The Subgrantee shall provide all services funded through or affected by this Subgrant without discrimination on the basis of race, color, national origin, religion, sex, age and physical or mental impairment, and shall comply with all relevant state and federal laws regarding anti-discrimination, including: Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; and the Americans with Disabilities Act of 1990. The Subgrantee shall comply with pertinent amendments to such laws made during the term of this Subgrant and with all state and federal rules and regulations implementing such laws.

11. HIPAA. The Subgrantee acknowledges that it may have an obligation, independent of this Subgrant, to comply with the Health Insurance Portability and Accountability Act (HIPAA), Sections 262 and 264 of Public Law 104-191, 42 USC Section 1320d, and federal regulations at 45 CFR Parts 160,

162 and 164. If applicable, Subgrantee shall comply with all amendments to the law and federal regulations made during the term of the Subgrant.

12. LOBBYING.

    a. Influence The Subgrantee certifies that none of the funds provided by this Subgrant have been paid or will be paid by or on behalf of the Subgrantee to any person for influencing or attempting to influence an officer or employee of any governmental agency, a member, officer or employee of Congress or the State Legislature in connection with the awarding, continuation, renewal, amendment, or modification of any contract, Subgrant, loan or cooperative agreement.

    b. Standard Form LLL If any funds, other than funds provided by this Subgrant, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any governmental agency, a member, officer or employee of Congress or the State Legislature in connection with this Subgrant, the Subgrantee shall complete and submit Standard Form LLL, 'Disclosure Form to Report Lobbying', in accordance with its instructions, and a copy of Standard Form LLL to the Department.

    c. False Statement The Subgrantee understands that a false statement of this certification may be grounds for rejection or termination of the Subgrant, and that their signature upon this 'Standard Subgrant' is a material representation of fact upon which reliance was placed when this Subgrant was made or entered into. In addition, under Section 1352, Title 31 U.S. Code, a false statement shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such false statement.

13. FAITH-BASED ORGANIZATION. If the Subgrantee is a faith-based organization, the Subgrantee and all approved subcontractors shall administer funds in compliance with the standards set forth in 45 CFR part 87.

14. TRIBES. If the Subgrantee is a Tribe, the Subgrantee and Department recognize that services performed pursuant to this Subgrant by the Subgrantee and all approved subcontractors within reservation boundaries are subject to applicable laws, ordinances and regulations of the Tribe. Nothing in this Subgrant should be construed as a waiver of sovereign immunity.

15. SINGLE AUDIT ACT. The Subgrantee acknowledges that it may have an obligation; independent of this Subgrant, to comply with the terms of the "Single Audit Act" of 1984. Funds provided under the Subgrant may be used to pay for compliance with this act in proportion to other funding sources available to the Subgrantee for the services provided pursuant to the Subgrant.

16. PROSTITUTION AND SEX TRAFFICKING. If funded by the Centers for Disease Control and Prevention, indicated in the Scope of Work, General Requirements, Section A of this Subgrant, none of the funds made available under this agreement may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.

17. MUTUAL TERMINATION FOR CONVENIENCE. Either party may cancel the Subgrant at any time,

without cause, upon written notice to the other party specifying the date of termination which shall not be less than thirty (30) calendar days; provided however, the Department must approve Subgrantee's date of termination and shall not exceed a reasonable timeframe to ensure continuity of business upon termination of the Subgrant. The obligations and liabilities of the parties shall cease upon the date of termination, except that the obligations or liabilities incurred prior to the termination date shall be honored.

18. APPROPRIATION BY LEGISLATURE REQUIRED. The Department reserves the right to terminate this Subgrant in whole or in part (or any order placed under it) if, in its sole judgment, the Legislature of the State of Idaho or the federal government if applicable, fails, neglects, or refuses to appropriate sufficient funds as may be required for the State to continue such payments, or rescinds or requires any return or "give-back" of funds required for the State to continue payments, or if the Executive Branch mandates any cuts or holdbacks in spending. All affected future rights and liabilities of the parties hereto shall thereupon cease within ten (10) calendar days after notice to the Subgrantee.

19. REQUIRED CERTIFICATIONS**.** Pursuant to Idaho Code §§ 18-8703, 67-2346, 67-2347A, and 67-2359, Subgrantee certifies: (1) for the duration of the Agreement it will not perform abortions as defined in Idaho Code § 18-8702(1), nor will it be an affiliate, as described in Idaho Code § 18-8702(2) of any facility that performs abortions; (2) it is not currently engaged in, and will not for the duration of the Agreement engage in, a boycott of goods or services from Israel or territories under its control; (3) it is not currently engaged in, and will not for the duration of the Agreement engage in, a boycott of any individual or company because the individual or company (a) engages in or supports the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, minerals, hydroelectric power, nuclear energy, or agriculture, or (b) engages in or supports the manufacture, distribution, sale, or use of firearms, as defined in Idaho Code § 18-3302(2)(d); (4) it is not currently owned or operated by the government of China and will not for the duration of the Agreement be owned or operated by the government of China; and (5) it will not assign or seek to assign the Agreement to a person who operates in violation of either statute. The Department may immediately terminate at its convenience the Agreement upon receipt of information that Subgrantee is in violation of the terms of this section. Subgrantee further agrees to provide written notice to the Department if the Subgrantee has information related to compliance with this section of the Agreement.

20. DUTY TO VERIFY LAWFUL PRESENCE. Department and Subgrantee acknowledge that, pursuant to Idaho Code § 67-7903, each agency or political subdivision of Idaho is obligated, with exceptions, to verify the lawful presence in the United States of each natural person eighteen (18) years of age or older who applies for state or local public benefits or for federal public benefits for the applicant. To the extent that this Subgrant contemplates or authorizes Subgrantee’s administration of an application process that could trigger obligations under I.C. § 67-7903(1)-(3), Subgrantee agrees to ensure compliance by establishing and implementing a system of lawful presence verification consistent with those available to each agency or political subdivision of Idaho in I.C. § 67-7903(4)-(6). Such system of lawful presence verification shall be subject to approval and monitoring by Department.

Rural Health Transformation Program
Additional Subgrant Terms and Conditions

1. **Continued Funding.** Continued funding is conditional on the availability of appropriated and awarded funds, Subgrantee satisfactory performance, and compliance with the Subgrant General Requirements.

   At any time, Department can decrease funding, recover funding, or terminate a Subgrant if Subgrantee fails to perform the requirements of the Subgrant. The Subgrant may also otherwise be terminated to the extent authorized by law, if Department determines the Subgrant no longer effectuates program goals or priorities.

   For Department to Subgrant continuation funding for subsequent periods, Subgrantee must also demonstrate satisfactory progress. Satisfactory progress includes but is not limited to progress in implementing initiatives approved by CMS in the approved Department application and outlined in this Subgrant. Progress will be measured both qualitatively and quantitatively. Department will use a combination of data submitted in the quarterly and annual progress reports and written and verbal updates from the Subgrantee to assess progress.

2. **Termination.** This Subgrant is subject to the termination provisions at 2 C.F.R. 200.340. Pursuant to 2 C.F.R. 200.340, the Subgrantee agrees by accepting this Subgrant that continued funding for the Subgrant is contingent upon the availability of appropriated and awarded funds, program authority, Subgrantee satisfactory performance, compliance with the Subgrant General Requirements., and a decision by Department that the Subgrant continues to effectuate program goals or priorities.

3. **Enforcement Actions**. Failure to comply with the Subgrant, statutory or regulatory requirements, may result in placement of the Subgrantee on a non-compliance action plan and/or a notification of potential enforcement action.

   If Subgrantee is placed on a non-compliance action plan and/or receives notification of potential enforcement action during the period of performance, Subgrantee might not receive additional funding for the next twelve (12)-month budget period(s), based on their progress in addressing required corrective actions. Department will also consider if a Subgrantee is placed on a Corrective Action Plan to address audit findings.

   If Department determines Subgrantee is not using Subgrant funds in a manner consistent with the description in the approved Department application as outlined in this Subgrant (a "violation of agreement"), Department may withhold, reduce, or recover award payments. Violations of agreement include, but are not limited to:

   a. Using funds in a manner inconsistent with activities described in the approved Department application and outlined in this Subgrant, on activities explicitly limited or prohibited, and/or on activities not approved by Department.

   b. Not investing funds in a way that broadly affects Subgrantee's rural areas and residents in a positive manner.

   c. Failure to submit required reporting as described in the Subgrant Reports section.

d. Failure to follow through on other actions included in the approved Department application and outlined in this Subgrant.

e. Improperly managing or using Subgrant funds, including fraud, waste, abuse, and criminal activity.

4. Notification of Risks or Problems. Subgrantee must immediately upon discovery notify Department in writing of any significant problems or risks relating to the administrative, financial, and programmatic aspects of the Subgrant.

    1. Significant problems include issues or barriers that may cause Subgrantee to miss milestones described in Subgrant or failure to implement this program as described in the Subgrant.

    2. Department may elect to allow Subgrantee an opportunity to take appropriate remedies which may include Subgrantee accepting specific Subgrant conditions, technical assistance, and/or adhering to a non-compliance action plan within a timeframe and manner determined by Department.

    3. If Subgrantee fails to meet the terms of any non-compliance action plan within the designated timeframe, Department may terminate the cooperative agreement.

    4. If the Subgrantee's actions endanger the public health and welfare, the Department may immediately terminate the Subgrant agreement without the opportunity for corrective action.

5. Remediation Actions. Subgrantee must remedy noncompliance within thirty (30) calendar days after being notified by Department. Remediation may include Subgrantee submitting a non-compliance action plan detailing its plan to resolve the non-compliance. If Subgrantee does not remedy noncompliance, the Department may recover past payments and withhold further payments of both workload and baseline funding.